

**GOVERNMENT OF TELANGANA
ABSTRACT**

Mines and Minerals - The Telangana Minor Mineral Concession Rules, 1966 - Procedure for Grant of Minor Mineral Concessions through auction - Notification-Orders - Issued

INDUSTRIES & COMMERCE (MINES.I) DEPARTMENT

G.O.Ms.No.45

Dated:10-11-2022
Read the following:

- 1) G.O.Ms.No.1172 Industries. (B-1) Dept., dated 04.09.1967.
- 2) G.O.Ms.No.26 Industries & Commerce (M.I) Dept., dtd:31.03.2022.
- 3) From the Director of Mines and Geology, Hyderabad Letter No.1247095/P/2021, dated:26.09.2022.

ORDER:

In the G.O. second read above, the Government made certain amendments to the Telangana Minor Mineral Concession Rules, 1966 to grant quarry lease for Minor Minerals except ordinary sand and areas reserved under Rule 9-A, through auction. As per the said rules, the procedure for grant of Minor Mineral Concessions in Government lands through auction shall be prescribed by the State Government.

2. The Director of Mines and Geology, Hyderabad, in the letter third read above has submitted proposals to prescribe the procedure for auction of Minor Mineral Concessions in Government Lands and in case, where the pattadar has given consent to the Government, the grant of leases shall be through auction and requested to issue necessary orders in the matter.

3. Government after careful examination of the proposal, hereby approves the proposal of the Director of Mines and Geology, Hyderabad and decided to prescribe the procedure for auction of Minor Mineral Concessions.

4. Accordingly, the following Notification shall be published in the Telangana Gazette, dated:10.11.2022:-

NOTIFICATION

In exercise of the powers conferred under rule 12 of the Telangana Minor Mineral Concession Rules, 1966 issued in G.O.Ms.No.1172, Industries (B-1) Department, dated 04.09.1967 as amended subsequently from time to time, the Government hereby prescribe the following procedure for auction of Minor Mineral Concessions in the State:

1. An auction shall be conducted only through an online electronic auction platform.

2. The Assistant Director of Mines & Geology/State PSU concerned as the case may be shall obtain statutory and regulatory clearances from the concerned departments.

3. The Director shall issue notice inviting tenders with respect to mineral concession of “31 minerals, Granite and Marble”, and the Deputy Director shall issue notice inviting tenders with respect to mineral concession of “existing minor minerals” except sand, after receipt of proposals from the Assistant Director of Mines and Geology concerned.

4. The eligibility for participating in the auction shall be determined as per the terms and conditions of eligibility specified in the tender document and the Successful Bidder shall be decided solely on the basis of scrutiny of bids submitted by the eligible bidders.

5. The bidder shall satisfy such conditions as may be prescribed by the Director/Dy. Director of Mines & Geology in the Tender Document.

[P.T.O]

6. For determination of auction premium amount, the reserve price for quarry lease shall be in the multiples of Dead Rent per Hectare per annum as specified by Director/Deputy Director in the tender document of the proposed area for the particular mineral, in Indian Rupees.

7. The bidders shall quote as per the bidding parameter, over and above the reserve price, an amount in Rupees as "Auction Premium Amount". Auction premium amount so quoted shall not be adjusted against annual dead rent or seigniorage fee, as the case may be.

8. The bidders shall submit a technical bid, financial bid, other such documents and payments as may be specified in the tender document for the block and the financial bid shall be opened for those who qualify in the technical bid.

9. The Director/Deputy Director shall constitute a Committee for evaluation of the technical bids received.

10. The total number of technically qualified bidders shall be three or more and then the auction process shall proceed as follows.

- I. The qualified bidders may submit their price offer.
- II. Provided that the price offer may be revised till the conclusion of the auction as per the technical specifications of the auction platform;
- III. The auction process shall be annulled if none or only one of the qualified bidders submits a price offer on the online electronic auction platform;
- IV. The qualified bidder who submits the highest price offer shall be declared as the "Successful bidder" immediately on conclusion of the auction.
- V. Where the total number of technically qualified bidders is less than three, then no technically qualified bidder shall be considered to be qualified bidder and the first attempt of auction shall be annulled.
- VI. Upon completion of auction process, the Successful Bidder shall pay 25% of the bid amount within 7 days for issuing confirmation order by the competent authority. If he fails to do so, any payments made by him shall be forfeited to the government and the second highest bidder will be given an option to match the highest price offered amount.
- VII. Upon receipt of confirmation order, the Successful bidder shall pay the balance 75% of the bid amount along with other payments as mentioned in the tender document to Director/Deputy Director in the Head of Account as specified by the Director/Deputy Director of Mines and Geology within 30 days from the date of confirmation order.
- VIII. Upon receipt of the total bid amount, the Director of Mines and Geology / Deputy Director of Mines and Geology concerned, as the case may be, shall grant quarry lease to the Successful bidder.
- IX. In case, Successful bidder is not able to pay the total bid amount within 30 days from the date of confirmation order, amount paid therein shall be forfeited to the government and the second highest bidder will be given option by the Director/Dy. Director to match the highest price offered amount, as the case may be, and after remittance of the said amount within 15 days, the respective bidder shall become Successful bidder and quarry lease shall be granted in his favour.

- X. The Quarry Lease Deed shall be executed by the Assistant Director of Mines & Geology as per Rule 12(5)(e) and 13(1) of the TSMMC Rules 1966, for the respective minor minerals, as the case may be.
- XI. If any new mineral is discovered in the Quarry Lease area granted through auction during the lease period, then the holder of Quarry lease shall follow the provisions of the TSMMC Rules, 1966 as amended from time to time for inclusion of such new mineral in the Quarry Lease Deed.
11. For Pattalands where the Pattadar has given consent for auction, the Pattadar shall be given additional amount equivalent to 10% of Seignorage Fee for other than Granite and Marble and additional amount equivalent 5% of Seignorage Fee for Granite and Marble to be collected from the leaseholder to be paid to the Pattadar.
12. The Director shall publish the details of the successfully auctioned blocks on the website of Department of Mines & Geology.
13. The proceeds pertaining to Auction Premium amounts of successfully auctioned blocks shall be remitted to the treasury as per the procedure laid down.
14. The Government is competent to issue clarifications, exemptions, guidelines or relaxation orders from time to time, in implementation of these rules.
15. The General provisions of Minor Mineral Concession Rules, 1966 or any subsequent rules/amendments to be issued by Government or the orders, guidelines, clarifications issued by Government in this regard from time to time shall apply to any situation, which is not expressly stated herein.
5. The Director of Mines & Geology, Telangana shall take necessary action accordingly in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

SOMESH KUMAR
CHIEF SECRETARY TO GOVERNMENT &
PRINCIPAL SECRETARY TO GOVERNMENT (MINES & GEOLOGY)(FAC)

To,
The Commissioner of Printing and Stationery, Government Printing Press,
Chanchalguda, Hyderabad. (With a request to Publish the Notification in
theTelangana Gazette and supply 50 copies to
the Dept., and 100 Copies to the Director of
Mines & Geology)

The Director of Mines and Geology, Telangana State, Hyderabad

The Vice Chairman & Managing Director,

Telangana State Mineral Development Corporation Ltd., Hyderabad.

All the Joint Director/Deputy Director/Assistant Directors of Mines and Geology
through the Director of Mines and Geology, Hyderabad

Copy to:

The Secretary to Government, Ministry of Mines, Government of India.

The Principal Secretary to Hon'ble Chief Minister.

The Finance Department.

P.S. to Chief Secretary and Principal Secretary Mines and Geology / Industries and
Commerce Department.

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//FORWARDED:: BY ORDER//

SECTION OFFICER